Speech at the European Council Meeting in Brussels on the 25. June 2015 by Martin Schulz, President of the European Parliament

- as prepared for delivery -

Greece

Ladies and gentlemen,
we all have been following the negotiations between Greece and its partners very closely this week. The European Parliament hopes, that a compromise will be reached today; one that will keep Greece in the Eurozone and pave the way for improving the sustainability of Greek debt.

The Greek people have made enormous sacrifices. And the partners have made substantial concessions. Now it is upon the Greek government to take the stretched-out hand of its partners.

Some so-called scientific experts and advisers have claimed that a "Grexit" would only have marginal fallout. No one knows if they are right. But they will not be hold accountable for their predictions. Contrary to us who are sitting around this table, and who have to take responsible decisions we can defend towards our citizens. Therefore, we are called upon to carefully weigh the risks and choose the path least likely to make citizens liable for a crisis they have not caused.

If a solution is found today, we will still need to work with Greece on a sustainable future.

Migration

Ladies and gentlemen,
A few days ago, I was in a small village in Luxembourg, **Schengen**, together with the President of the European Commission, to celebrate the moment, thirty years ago, when France, Germany, the Netherlands, Belgium and Luxembourg first sowed the seed of our area without internal borders.

Our children, and indeed their children, now take it for granted that one can drive through a border crossing without even realising it; so do hundreds of thousands of commuters, our voters, who pass borders daily on their way to and from work.

But this heritage is more than ever at risk from those who want to turn back the clocks. And every day, the high migratory pressure at our external borders puts into question the imperfect EU framework we have in place. We need to keep a cool head and look for constructive solutions. We opened the borders, now we need the common asylum and migration policy that goes with this.

Those who tell people that migration is a problem which can be solved by closing the borders are not telling the truth.

Responsibility means all Member States playing by the same agreed rules and avoiding any unilateral actions. I urge the Commission to investigate swiftly in case of any doubts.

I believe we are fortunate enough to have a European Commission with the courage to put solutions on the table, starting with emergency measures on relocation and resettlement, together with a further package of measures, which we in the European Parliament have been calling for.

Voluntary or intergovernmental schemes have been tried in the past and have failed. If this is to work, it must be **mandatory** and every Member State must take its fair share, otherwise real solidarity quickly turns into mere charity. Furthermore, we are talking about an **emergency** situation, so I urge your ministers to proceed quickly.

We are facing an enormous humanitarian crisis, and high expectations are now resting on you to deliver. I know that with sufficient will, we can achieve the right balance between **solidarity and responsibility**.

This can only be a first step towards a **permanent** EU system for sharing the responsibility for refugees and asylum seekers among Member States – and I insist - this cannot take place without the full involvement of the European Parliament.

Ladies and gentlemen,
The constant state of emergency which we face on asylum and migration should not prevent us from looking for **long-term solutions**. Let us reinforce efforts to cooperate with third countries and let us develop together a new model of legal migration.

The European Parliament welcomes the initiative to hold a conference on migration in Valetta and stands ready to contribute to the full to make this a success.

Security and Defence Policy

Ladies and gentlemen,
The second important item on your agenda today is 'security and defence'. As with migration policy, the Parliament is tempted to say that much of what we said ten years ago is still true today, that indeed we have not made much progress towards a common European Security and Defence policy.

But since the European Security Strategy of 2003, the context of European Defence policy has changed in at least two important ways:

- first, **the Lisbon Treaty** gave the EU more competences and Member States more instruments to come to joint defence initiatives, and

- second, the **world around us** has become much more complex and conflict-ridden, some say more dangerous. In our immediate neighbourhood, multiple crises are taking place at a tremendous human cost. To our East borders have been changed by force, a fundamental principle of international law has been violated by a UN Security Council member and the conflict in Ukraine is still dragging on. To our South, from Libya, to Syria, states are failing and the brutality of the so-called Islamic State is sending shock-waves around the world.

Therefore, I would first like to pay tribute to the women and men participating in our successful missions and operations like those in Georgia, Mali, the Central African Republic,

or at the Horn of Africa. These examples show our commitment to global security and that our engagement does bear fruits. If we succeed in stabilizing these regions, we will also take away the root causes for the high number of refugees who are forced to leave their homes and seek safety in Europe. We all benefit from the efforts made by countries participating in missions to enhance our security. Therefore, it is worth considering, how to count expenses for EU operations to the deficit.

President Juncker certainly was ambitious when he spoke of the creation of a European army earlier this year. What the European Parliament, however, suggests is, to finally put to full use the instruments provided by the Lisbon Treaty. It is high time we start developing **a new security and defence strategy**, one which is up to the new challenges like hybrid wars and cyber security and enables us to face them head-on.

The European Parliament considers five issues to be key for the new policy to be successful.

First, our new security strategy must offer a **clear long-term vision** about how the EU will ensure security both inside and outside of Europe. A strategy that deserves this name must give us orientation beyond tomorrow, offer us a sense of direction and spell out our priorities. Today you will task High Representative Mogherini with submitting a broad EU strategy on foreign and security policy by June 2016. We want this strategy to reflect our ambitions as a responsible player.

Second, to increase the reach of our external action, we need **policy coherence**, addressing interdependent issues and linking it better to our internal policies. The European Parliament supports a ‘pooling and sharing’ approach: Jointly spending less money in a better way. Sharing what we have and using it more efficiently. Today we have 28 fragmented industries and markets. No European country can any longer field troops in numbers and with the capabilities and technical equipment required for present-day conflicts. But together we can do it. That will save money and produce better results. The European Parliament is looking forward to the report by the Biénkowska high level group to make substantial proposals on supporting research on a future defense union. Our citizens support an ambitious approach: three out of four Europeans are in favour of a European defence policy.

Third, if we want our missions to be successful we must provide them with **sufficient financing**, as well as ensure better spending. Cutting the EU and national budgets while at the same time increasing the number of missions is certainly unhelpful.

And fourth, we need to forge **strong alliances and partnerships**. First and foremost by working systematically with NATO, but also with the United Nations and others.. We should also support the crisis management capacities of our partners in the regions.

In today's world, "internal" and "external" security are a false dichotomy. Security in and around Europe is indivisible - by stabilizing our immediate neighbourhood we will be living up to our responsibility as a global player but also increasing security inside Europe for our citizens.

Let me take this opportunity to share with you some thoughts that Parliament considers important to take into account in improving and enriching the **EU Internal Security Strategy** for the years to come, building on the Commission's recently presented European Agenda for Security.

An essential prerequisite for the new strategy would be a critical evaluation of current instruments, both at EU and on national level.

Secondly, it must be flexible enough to cover emerging threats to the security of European citizens.

Thirdly, the right balance should be found between preventive and repressive measures. This means respect for the principles of proportionality, necessity and legality and appropriate safeguards of accountability and judicial redress.

Fourthly, more use could be made of existing instruments, such as Joint Investigation Teams and the sharing of relevant data and information, also in real-time, could be improved.

Fifthly, we need measures for building trust and this includes European training for national practitioners and building a European law-enforcement and judicial culture and the establishment of procedural rights.

Finally it is very important to have close cooperation between what happens at EU level and at national level. We must regularly monitor how the strategy is being implemented and the European Parliament is working closely with our colleagues in national Parliaments to achieve this.

Deepening of the Economic and Monetary Union

Ladies and gentlemen,
Now we have the chance to make the European Economic and Monetary Union more resilient and conducive for jobs and growth.

Our most urgent priority must certainly be to enable the 18 million unemployed in the Eurozone to finally find a job again. This will be the benchmark to measure our success

Now bold decisions are called for to **improve the governance of the Euro**. It is upon national and European leaders to take these bold decisions and to explain to the people why we need deeper fiscal and political integration inside the Eurozone to ensure a good future for all.

I hope that the **Five Presidents' Report**, as a pragmatic roadmap, can be the stepping stone into our future.

We have taken a hands-on approach in the report: In a first "deepening by doing" stage, which should be done very soon, we want everything that can be done under the existing Treaties and with the existing instruments to put the EMU on more solid footing. Strengthening the Banking Union and creating a Capital Markets Union are prime examples of this approach. And a lot can be done without treaty change.
We also encourage you to embrace a long-term vision for the future of the EMU. In midst of turbulences this is a strong signal that we are proud of our common currency and committed to its success.

The European Parliament has a number of key concerns about the future of the European Economic and Monetary Union.

Foremost among them is **enhancing democratic legitimacy**. We want to ensure that the voice of the people is heard in Europe and that democratic scrutiny is up-held.

The crisis has taught us that we need more joint decision-making on fiscal policy while at the same time ensuring democratic accountability and legitimacy. The European Parliament was deeply worried about the technocratic approach of the European Semester. The proposals made in the report now offer a chance to remedy this and give Parliaments a greater say, improve ownership, as well as step up peer support and peer pressure. The inter-institutional agreement included in the report at our request will define the roles of all institutions in the Semester more clearly and thereby enhance democratic accountability. These are substantial achievements, but the European Parliament and others are more ambitious. In our report voted yesterday we call for an inclusion of the social dimension in the EMU, the phasing out of the Troika, a reinforced democratic accountability of the Eurogroup towards the European Parliament and a strong commitment to European-wide measures against tax fraud, tax evasion and aggressive tax planning as converging taxation policies are a key element for a sustainable EMU.

Involving the European Parliament more closely will ensure democratic legitimacy, but also a smoother functioning of the European Union. In recent years we have learnt the hard way that the addition of 28 national interests does not equal the European welfare. Only the European community institutions truly have the European common interest at heart, we are the ones who combine solidarity with solidity to the benefit of all.

Digital Single Market Strategy

Ladies and gentlemen,
we are living in the midst of the digital revolution. A process of radical change has been unleashed, affecting every sphere of our lives. New challenges and new benefits, but also significant risks have arisen in the wake of digitalisation.

These days we are setting the course for Europe's digital future. I am convinced Europe has huge, yet unrealized potential in the digital field. Let us realize this potential by creating conditions conducive to innovation and by creating a framework that ensures that these new developments will benefit all.

The European Parliament wants to create a Digital Single Market, a Digital Union, that is safe and inclusive, boosts jobs and growth and innovation. To reach these goals we must tackle five major challenges.

First challenge: **Creating a real single digital market**. We urgently must improve market access and overcome fragmentation. Today, we have 28 different national markets. This fragmentation is complicating life unnecessarily for both business and consumers.
Only seven per cent of European SMEs sell cross-border - because 28 different sets of rules increase both the administrative burden and the costs.
Only 15 per cent of consumers buy online from other EU countries - because of a lack of transparency or excessive prices.

Clearly, we must improve market access. It must become easier and cheaper to buy and sell across borders. This implies simpler and more effective cross-border contract rules and enhancing consumer trust by ensuring traceability and authenticity of products and services.

The enormous potential of a market with 500 million consumers and 22 million companies is currently wasted - let's tap into this potential!

Take the European cultural and creative industries – they are an engine for economic growth and job creation in the EU. We need to foster this creation by modernising our copyright regime. At the same time let me make one thing clear: the right of the creator to protection of his or her creative works must continue to apply in the digital age. We look forward to the upcoming proposal from the Commission on this and can tell you that the Parliament is already working intensively on the issue.

Second challenge: **Setting up the right infrastructure and the right conditions for networks and services**. A digital single market implies improving pan-European connectivity, access to high-speed broadband internet networks and the availability of spectrum for wireless broadband services; this requires large-scale investments, some also from the EFSI and a careful review of the implementation of the existing Telecom Package.

Being and staying connected is crucial for the lives of people and the productivity of our SMEs. Currently, however, people choose to switch off their phones, to disconnect from the internet, as soon as they cross a border, because of the excessive costs. Roaming charges are an unacceptable barrier in a single market! The European Parliament wants you to once and for all end roaming charges!

Third challenge: **Protecting our data**. For any business transaction trust is fundamental. Consumers and Companies must be assured that their personal and business data are safe from unauthorised use. This is about simplifying rules for businesses and promoting our European values and fundamental rights. We in the European Parliament have been waiting to negotiate on an ambitious Data Protection Package since 23 October 2013 – and I'm therefore glad that, following last week's Justice Council, trilogues have finally kicked off yesterday on the General Regulation. I also noted the promising comments made to the Parliament's group leaders by Prime Minister Bettel to work intensively to take forward the sister Directive. One year ago, you in the European Council called for the adoption of a strong EU General Data Protection framework by 2015 – now let's together provide the urgent political leadership needed to achieve this result.

I am convinced that in the long run our higher data protection requirements will become a competitive advantage for Europe.

Fourth challenge: **Ensuring fair competition**. Innovation and business can only thrive on a level playing field with fair play for all. Monopolies, abuse by dominant players or unfair commercial practices are detrimental to a thriving economy. Therefore, the EU must fully apply its antitrust and competition law to ensure fair competition.

Fifth challenge: **Developing the right skills**. To boost our digital economy it is crucial to invest in digital skills – highly specialised skills such as data analytics but also basic digital literacy of the population at large. We must avoid leaving behind the very people who should be the beneficiaries of the Digital Revolution. The Commission estimates that completing the digital single market could create 3.8 million jobs.

Let us tackle these challenges and let us do this fast. The rest of the world is not waiting for Europe to finally wake up to the digital revolution. The United States has a very strong digital industry, built on a huge home market with very few barriers, if any. The Asian economies are becoming increasingly competitive.

The European Parliament calls on you today to commit to a Digital Union; one that is safe, innovative and inclusive, to pave the way towards an innovative and prosperous digital future for Europe.

UK

Ladies and gentlemen,
Last week I went for an official visit to London and had an open-minded exchange with Prime Minister David Cameron. During this meeting I stressed the importance of dialogue regarding Britain's efforts to reform the EU.

The European Parliament is waiting for the concrete proposals, which you PM will present here today in Brussels, to start talks on the basis of mutual trust.

Earlier today, together with Commission President Juncker, Prime Minister Strajuma and Prime Minister Bettel I launched the formal opening of negotiations of the Interinstitutional Agreement on Better Law-Making aiming at more transparent and democratically legitimate decision making in Europe, which would lead to a more effective legislative process. I hope that these goals are in line with your goals Prime Minister Cameron.

The ball is now in the court of the UK government and the British people. The British government called for a referendum. It is now the responsibility of the British government and the British people. It is up to you to decide where your future lies.

The Five President's Report presented today is ample proof that the EU shares the British government's goals of making the EU more democratic, more effective and more transparent. Today we are also discussing the digital single market which offers unique opportunities for boosting Europe's economy. If the British government makes concrete proposals that will make the EU more democratic, more effective and transparent, and that deepen the single market, we will certainly be able to reach an agreement. But we strongly doubt, that treaty change is the right path to follow, in order to address and implement the concerns of the British government.
Solutions are not brought about by one member state making demands and expecting the others to deliver.
Solutions can only be found by making proposals that will contribute to the common good. It is about making proposals which do not cater to the domestic debate but will bring added value to all of Europe, proposals which are in the interest of British citizens as much as in the interest of all EU citizens.

In the past, the EU has demonstrated time and again both its willingness and ability to accommodate national specificities and opt-outs for countries who did not wish to engage in an "ever closer union", while at the same time protecting the principles which make the EU a success. If the UK government presents constructive and considerate proposals that will make the EU and the lives of our citizens better there is no reason why your concerns cannot be addressed. And in this vein, you can count on the European Parliament as a partner.

Thank you for your attention.